



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

August 10, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Dear Supervisors:

**JOINT RESOLUTIONS BETWEEN THE COUNTY OF LOS ANGELES, VARIOUS
COUNTY SANITATION DISTRICTS, AND OTHER AFFECTED TAXING ENTITIES
ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE AS A
RESULT OF PROPOSED ANNEXATIONS TO COUNTY SANITATION DISTRICTS
(ANNEXATION NOS. 14-330, 14-366, 14-367, 14-369, 14-402, 14-404, 18-53, 21-714,
21-715, 21-718, 21-723, 22-408, 22-409, SCV-1005, SCV-1011, SCV-1019, SCV-1029,
SCV-1035, SCV-1047, AND SCV-1048)
(SUPERVISORIAL DISTRICTS 1, 4, and 5)
(3 VOTES)**

SUBJECT

This action is to adopt the Negotiated Property Tax Exchange Joint Resolutions associated with the annexation of territories into Los Angeles County Sanitation Districts Nos. 14, 18, 21, 22, and the Santa Clarita Valley County Sanitation District.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve Joint Resolutions between your Board, County Sanitation Districts Nos. 14, 18, 21, 22, and the Santa Clarita Valley County Sanitation District (SCV), and other affected taxing entities based on the negotiated exchange of property tax revenue related to proposed Annexation Nos. 14-366, 14-367, 14-369, and 14-402 in the City of Lancaster, 18-53 in the City of La Habra Heights, 21-714 in the City of Claremont, 21-723 in the City of Walnut, 22-408 in the City of Covina, 22-409 in the City of La Verne, SCV-1019, SCV-1029, SCV-1035, SCV-1047, and SCV-1048 in the City of Santa Clarita, 14-330 and 14-404 in unincorporated Antelope Valley, 21-715 and 21-718 in unincorporated Hacienda Heights, and SCV-1005 and SCV-1011 in unincorporated Santa Clarita Valley.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The governing bodies of the affected County Sanitation Districts (Districts) and the respective taxing entities have adopted the attached Joint Resolutions based on the negotiated exchange of property tax revenue related to the proposed annexations to the Districts.

"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**

In order for the Local Agency Formation Commission (LAFCO) for the County of Los Angeles to proceed with the required hearings on the proposed annexations, your Board, on behalf of the County General Fund, Public Library, Consolidated Fire Protection District, Road District No. 5, Flood Control District, and Waterworks District No. 40 must also adopt the attached Joint Resolutions.

The proposed annexations involve residential, vacant, and commercial parcels for which there is no other local agency able to provide off-site sewage disposal services. The annexations will allow property owners in the affected territories to obtain off-site sewage disposal services from the Districts by connecting their properties to existing sewer lines. Currently, the only option available to property owners is to construct private septic systems. In each annexation application submitted to LAFCO, all of the owners of real properties within the territories proposed to be annexed have requested, in writing, that their properties be annexed to the respective County Sanitation District.

FISCAL IMPACT/FINANCING

There is no base transfer of property taxes associated with these annexations. If the annexations are approved, the adopted resolutions will transfer a portion of the annual property tax increment attributable to the annexation areas from the County and the other affected taxing entities to the affected Districts commencing with Fiscal Year 2011-12 or the fiscal year after the effective date(s) of the annexations, if later.

The territories being annexed are located as follows: Annexation Nos. 14-366, 14-367, 14-369, and 14-402 are within the City of Lancaster, 18-53 is within the City of La Habra Heights, 21-714 is within the City of Claremont, 21-723 is within the City of Walnut, 22-408 is within the City of Covina, 22-409 is within the City of La Verne, SCV-1019, SCV-1029, SCV-1035, SCV-1047, and SCV-1048 are within the City of Santa Clarita, 14-368, 14-372, 14-409, and 14-410 are within the unincorporated Antelope Valley, 21-715 and 21-718 are within unincorporated Hacienda Heights, and SCV-1005 and SCV-1011 are within unincorporated Santa Clarita Valley.

The territories being annexed and their impact to the County's share of incremental property taxes for future years are reflected in Attachment A. Each of the affected agencies' shares of the annual property tax increment will be adjusted accordingly. Annexation No. 14-402 is located in the City of Lancaster Redevelopment Project Area (RPA) No. 6 and Annexation No. SCV-1029 is located in the City of Santa Clarita Newhall RPA. As such, County Sanitation District Nos. 14 and SCV will not receive the negotiated share of the annual tax increment in the respective annexation territories until such time that the affected RPAs are terminated.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Part 3, Division 3, Title 5 of the California Government Code, commencing with Section 56000, the affected Districts adopted resolutions and filed applications with LAFCO to initiate proceedings for annexation of territory to the Districts.

The Honorable Board of Supervisors
August 10, 2010
Page 3

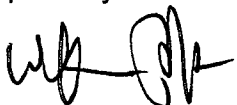
Section 99 of the Revenue and Taxation Code (R&T Code) requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service area or service responsibilities will be altered by such change, must negotiate a reallocation of property tax revenue between the affected agencies, and approve and accept such reallocation by resolution. The Districts and the other independent taxing entities have adopted negotiated Joint Resolutions for the subject annexations, as required by Section 99 of the R&T Code. Adoption of the Joint Resolutions by your Board will allow LAFCO to schedule the required public hearings on the proposed annexations. LAFCO will subsequently take action to approve, approve with changes, or disapprove the proposals for annexation.

The Joint Resolutions have been approved as to form by County Counsel.

CONCLUSION

At such time as the recommendation is approved by your Board, please return one copy of this letter and one of each of the original Resolutions to LAFCO, one copy of the letter and a copy of each of the Resolutions to the Chief Executive Office, Office of Unincorporated Area Services, and one copy of the letter and each of the Resolutions to the Auditor-Controller, Tax Division.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:BC
DSP:JT:acn

Attachments

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller

**County Sanitation Districts Annexations Nos. 14-330, 14-366, 14-367, 14-369, 14-402, 14-404, 18-53, 21-714,
21-715, 21-718, 21-723, 22-408, 22-409, SCV-1005, SCV-1011, SCV-1019, SCV-1029, SCV-1035, SCV-1047, and SCV-1048
Impact to County Incremental Share**

Sanitation District Annexation No.	TRA	Supervisory District	Location	County Taxing Entities	Adjustment	Loss per \$1,000 of Additional Assessed Value
14-330	09561	5	Unincorporated (Antelope Valley)	General Fund County Library Road District No. 5 Consolidated Fire Prot. Dist.	0.002236365 0.000160588 0.000043122 0.001202396	0.0022 0.0161 0.0004 0.0120
14-366	02417	5	Lancaster	General Fund County Library Consolidated Fire Prot. Dist. Waterworks District No. 40 Water Wks No. 40 ACO Fund	0.001639495 0.000174605 0.001158812 0.000050251 0.000038417	0.0164 0.0017 0.0116 0.0005 0.0004
14-367	02417	5	Lancaster	General Fund County Library Consolidated Fire Prot. Dist. Waterworks District No. 40 Water Wks No. 40 ACO Fund	0.001639495 0.000174605 0.001158812 0.000050251 0.000038417	0.0164 0.0017 0.0116 0.0005 0.0004
14-369	02417	5	Lancaster	General Fund County Library Road District No. 5 Consolidated Fire Prot. Dist. Lighting District No. 1687	0.001639495 0.000174605 0.001158812 0.000050251 0.000038417	0.0164 0.0017 0.0116 0.0005 0.0004
14-402	05868	5	Lancaster	General Fund County Library Consolidated Fire Prot. Dist.	0.003012866 0.000199017 0.001196898	0.0301 0.0020 0.0120
14-404	09561	5	Unincorporated (Antelope Valley)	General Fund County Library Road District No. 5 Consolidated Fire Prot. Dist.	0.002202612 0.000158164 0.000042471 0.001184249	0.0220 0.0016 0.0004 0.0118
18-53	06054	4	La Habra Heights	General Fund County Library Flood Control DR IMP Dist. Flood Control Maintenance	0.002975074 0.000212943 0.000015908 0.000090027	0.0298 0.0021 0.0002 0.0009
21-714	02740	5	Claremont	General Fund County Library Consolidated Fire Prot. Dist. Flood Control DR IMP Dist. Flood Control Maintenance	0.001791277 0.000138617 0.001096716 0.000009623 0.000054458	0.0179 0.0014 0.0110 0.0001 0.0005
21-715	06263	4	Unincorporated (Hacienda Heights)	General Fund County Library Road District No. 4 Consolidated Fire Prot. Dist. Flood Control DR IMP Dist. Flood Control Maintenance	0.002619131 0.000186166 0.000046030 0.001382681 0.000013999 0.000079224	0.0262 0.0019 0.0005 0.0138 0.0001 0.0008
21-718	12008	4	Unincorporated (Hacienda Heights)	General Fund County Library Road District No. 4 Consolidated Fire Prot. Dist. Flood Control DR IMP Dist. Flood Control Maintenance	0.002619131 0.000186166 0.000046030 0.001382681 0.000013999 0.000079224	0.0262 0.0019 0.0005 0.0138 0.0001 0.0008

**County Sanitation Districts Annexations Nos. 14-330, 14-366, 14-367, 14-369, 14-402, 14-404, 18-53, 21-714,
21-715, 21-718, 21-723, 22-408, 22-409, SCV-1005, SCV-1011, SCV-1019, SCV-1029, SCV-1035, SCV-1047, and SCV-1048
Impact to County Incremental Share**

Sanitation District Annexation No.	TRA	Supervisory District	Location	County Taxing Entities	Adjustment	Loss per \$1,000 of Additional Assessed Value
21-723	14586	1	Walnut	General Fund County Library Consolidated Fire Prot. Dist. Flood Control DR IMP Dist. Flood Control Maintenance	0.002579431 0.000179771 0.001279792 0.00001341 0.000075895	0.0258 0.0018 0.0128 0.0001 0.0008
	14587	1	Walnut	General Fund County Library Consolidated Fire Prot. Dist. Flood Control DR IMP Dist. Flood Control Maintenance	0.002355449 0.000168291 0.001210766 0.000012357 0.000069912	0.0236 0.0017 0.0121 0.0001 0.0007
22-408	01746	5	Covina	General Fund Flood Control DR IMP Dist. Flood Control Maintenance	0.002904251 0.000015491 0.000087973	0.0290 0.0002 0.0009
22-409	11174	5	La Verne	General Fund County Library Flood Control DR IMP Dist. Flood Control Maintenance	0.002307786 0.000283859 0.000022422 0.000126875	0.0231 0.0028 0.0002 0.0013
SCV-1005	06787	5	Unincorporated (Santa Clarita Valley)	General Fund County Library Road District No. 5 Consolidated Fire Prot. Dist. Flood Control DR IMP Dist. Flood Control Maintenance	0.004437434 0.000519348 0.000134639 0.003364167 0.00004028 0.000227962	0.0444 0.0052 0.0013 0.0336 0.0004 0.0023
SCV-1011	13894	5	Unincorporated (Santa Clarita Valley)	General Fund County Library Road District No. 5 Consolidated Fire Prot. Dist. Flood Control DR IMP Dist. Flood Control Maintenance	0.005348900 0.000392547 0.000107059 0.002985174 0.000028688 0.000162352	0.0535 0.0039 0.0011 0.0299 0.0003 0.0016
SCV-1019	00337	5	Santa Clarita	General Fund County Library Consolidated Fire Prot. Dist. Flood Control DR IMP Dist. Flood Control Maintenance	0.004644322 0.00041214 0.003082213 0.000030415 0.000172124	0.0464 0.0041 0.0308 0.0003 0.0017
SCV-1029	00218	5	Santa Clarita	General Fund County Library Consolidated Fire Prot. Dist. Flood Control DR IMP Dist. Flood Control Maintenance	0.004008369 0.000383637 0.003056024 0.000027834 0.000157516	0.0401 0.0038 0.0306 0.0003 0.0016
	10289	5	Santa Clarita	General Fund County Library Consolidated Fire Prot. Dist. Flood Control DR IMP Dist. Flood Control Maintenance	0.007445937 0.000488915 0.002940351 0.00004499 0.000254654	0.0745 0.0049 0.0294 0.0004 0.0025
SCV-1035	00547	5	Santa Clarita	General Fund County Library Consolidated Fire Prot. Dist. Flood Control DR IMP Dist. Flood Control Maintenance	0.004111599 0.000413184 0.002997872 0.000030553 0.000172907	0.0411 0.0041 0.0300 0.0003 0.0017

**County Sanitation Districts Annexations Nos. 14-330, 14-366, 14-367, 14-369, 14-402, 14-404, 18-53, 21-714,
21-715, 21-718, 21-723, 22-408, 22-409, SCV-1005, SCV-1011, SCV-1019, SCV-1029, SCV-1035, SCV-1047, and SCV-1048
Impact to County Incremental Share**

Sanitation District Annexation No.	TRA	Supervisory District	Location	County Taxing Entities	Adjustment	Loss per \$1,000 of Additional Assessed Value
SCV-1047	00339	5	Santa Clarita	General Fund	0.004226876	0.0423
				County Library	0.00039327	0.0039
				Consolidated Fire Prot. Dist.	0.003064965	0.0306
				Flood Control DR IMP Dist.	0.000028719	0.0003
				Flood Control Maintenance	0.000162537	0.0016
SCV-1048	06558	5	Santa Clarita	General Fund	0.004605079	0.0461
				County Library	0.000409269	0.0041
				Consolidated Fire Prot. Dist.	0.003067403	0.0307
				Flood Control DR IMP Dist.	0.000030189	0.0003
				Flood Control Maintenance	0.000170891	0.0017